



CLIENT BULLETIN

FASB Announces Project to Expand Disclosures of Employer Participation in Multiemployer Plans

At the March 17, 2010 meeting of the U.S. Financial Accounting Standards Board (FASB), the FASB chairman announced the addition of a new project aimed at expanding disclosures about an employer's participation in a multiemployer plan (that is, pension and other postretirement benefits). The FASB staff indicated they expect the Board to deliberate on the matter in April and propose a project timetable that **could make the new disclosures effective for year end 2010 reporting.**

Since 1973, FASB has been the designated organization in the private sector for establishing standards of financial accounting. For prior multiemployer FASB news, see [Client Bulletin 2006-26](#).

Concerns raised to FASB that spurred the addition of the project included the lack of information in the financial statements (beyond the amount of contributions made) about an employer's participation in a multiemployer plan and the potential for increases in contributions as a result of plans being underfunded due to the funding status of many of multiemployer pension plans deteriorating significantly during the financial crisis of 2008. FASB envisions expanded disclosures would enable users of financial statements to better assess the risks a reporting entity faces by participating in a multiemployer plan.

Technically speaking, the project aims to enhance the disclosure requirements of an employer's participation in a multiemployer plan under *FASB Accounting Standards Codification*[™] Subtopic 715-80 (originally issued as FASB Statements No. 87, *Employer's Accounting for Pensions*, No. 106, *Employers' Accounting for Postretirement Benefits Other Than Pensions*, and No. 132 (revised 2003), *Employers' Disclosures about Pensions and Other Postretirement Benefits*).

The announcement can be viewed by "[clicking here.](#)"

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